



FEDERAL ELECTION COMMISSION
WASHINGTON D C 20463

May 25, 2004

William E. Johnson, Esquire
Johnson, Judy, True & Guarnieri, LLP
326 Main Street
Frankfort, Kentucky 40601-1887

RE: MUR 5268
Kentucky State District Council of
Carpenters (and Indiana-Kentucky
Regional Council of Carpenters as its
successor-in-interest), Steve Barger,
Don Mitchell, Thomas Schulz

Dear Mr. Johnson:

On May 18, 2004, the Federal Election Commission found that there is probable cause to believe your clients knowingly and willfully violated various provisions of the Federal Election Campaign Act of 1971, as amended, and its implementing regulations in connection with prohibited union contributions made by KSDCC to federal candidates during the 1998, 2000 and 2002 election cycles. In addition, the Commission found that there is probable cause to believe that KSDCC violated 2 U.S.C. § 431(9)(B)(iii) in connection with the failure to report the costs of membership communications containing express advocacy.

The Commission has a duty to attempt to correct such violations for a period of at least 30 days and no more than 90 days by informal methods of conference, conciliation, and persuasion, and by entering into a conciliation agreement with a respondent. If we are unable to reach agreement with your clients, the Commission has authorized this Office to institute a civil suit in the U.S. District Court.

Enclosed are conciliation agreements that the Commission has approved in settlement of this matter with each of your clients. If your clients agree with the provisions of the enclosed agreements, please sign and return them, along with the civil penalties, to the Commission within ten days. I will then recommend that the Commission accept the agreements. Please make the checks for the civil penalties payable to the Federal Election Commission.

William E. Johnson, Esquire
MUR 5268
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If you have any questions or suggestions for changes in the enclosed conciliation agreements, or if you wish to arrange a meeting in connection with mutually satisfactory conciliation agreements, please contact Ann Marie Terzaken at (202) 694-1650.

Sincerely,



Lawrence H. Norton
General Counsel

Enclosures
Conciliation Agreements

24-04-403-2337